

Jack M. Daly Senior Vice President 312-269-6257 312-269-7290 (fax) jack.m.daly@sargentlundy.com

> October 31, 2003 Project No. 11271-002 Letter No. IPSC-03-002

Intermountain Power Service Corporation

Engineering of Variable Frequency Drives

Mr. Jon Christensen: Intermountain Power Service Corporation 850 W. Brushwellman Road Delta, Utah 84624

Dear Mr. Christensen:

In accordance with a meeting between your Mr. Jon Christensen and our Mr. John Benz on October 15, 2003, we are pleased to submit our proposal to continue providing assistance to you in the engineering of your Variable Frequency Drives replacement project. I recommend that Mr. Benz, our variable speed drive specialist, continue to coordinate this effort. Mr. David Roberts will also continue to assist Mr. Benz.

We view our role in continuing to provide assistance to Intermountain Power Service Corporation (IPSC) as primarily a technical consultant. Consequently, we assume that IPSC will continue to follow the commercial terms and conditions, and issue the contract specification with input from Sargent & Lundy (S&L). As discussed during the October 15, 2003 meeting IPSC will "Asbuilt" the existing drive drawings for use in reviewing the ALSTOM drawings.

We have included the following tasks in this proposal as we believe they are required to provide IPSC with a drive that will replace/upgrade the existing drive and to insure delivery on schedule.

- Submit a marked copy of the contract specification for IPSC to use in revising and insuring the contract specification to ALSTOM.
- Attend two drawing review meetings either at IPSC or ALSTOM offices. These reviews will be including review of the ALSTOM drawings as well as a comparison to the "as-built" drawing that IPSC are presently marking.
- One expediting trip to ALSTOM offices to review schedule and ALSTOM progress.
- Participate in weekly conference calls with ALSTOM and IPSC.